Action Learning and the Implementation of *Kaizen*: Challenges in the Indian Cultural Context

Sagi K. Mathew

Australian Institute of Business, Adelaide, South Australia

Email: sagi.mathew@aib.edu.au

Abstract

The aim of this paper is to investigate some of the learning challenges arising from the introduction of the practice of *kaizen* at a Japanese automobile transplant in India, with particular reference to cultural constraints. The purpose of this study arises from the investigation of long industrial unrest in this plant, a phenomenon unheard of with the parent company globally. It is intended to provide an insight into parallels between action learning and *kaizen*, to identify common factors in both, and to assist in a wider understanding of organisational learning. A second intention is to highlight the importance of the cultural values of employees in adopting a foreign practice that requires them to make it part of their daily work discourse.

Introduction

The significance and interaction of national culture in the workplace, and the challenges faced by multinational corporations in the management of human resources, are widely researched: for example, see Hofstede, 2001; Turner, D'Art, and Gunnigle, 2001; Davis, Chatterjee, and Heuer, 2006; Budhwar, Bjorkman and Singh, 2009; Kochan, Batt, and Dyer, 1992). The findings suggest recognition of national culture and adaptation of human resources policies for effective outcomes. With the advent of economic liberalisation, India has witnessed a large number of multinational corporations setting up operations in the country, and the cross-cultural interaction involved has forced foreign firms to look deeper into their human resource management policies and practices (Varma, Toh, and Budhwar, 2006). Along with other areas of human resource management, human resource development also poses a challenge to foreign multinationals operating in India. Previous research suggests

a conflict of culture as a recurring reason for this (for example see Pio, 2007; Ghemawat, 2004; Lansbury, Kwon, and Suh, 2006).

Research Problem, Objectives and Plan

The acceptability and adaptability of different industrial models as a response to global market demands has generated keen interest from both academics and practitioners. Due to uncertainties in the global market, adaptation of such models has necessitated diversity (Durand et al, 1999). This is particularly relevant in the Indian context as the economic liberalisation in the early 1990s has led to an inward flow of foreign direct investment (FDI) in the automobile industry. The Japanese industrial model followed in the automobile industry is set on the platform of a lean system which according to some authors (for example Liker, 2004) is a system based on empowering workers through participatory team work, which includes decision making and problem solving (see Mathew and Jones, 2012). However, critiques have challenged this and have blamed lean production practices as a regime of exploitation and disempowerment (for example Stewart et al, 2009; Rhinehart et al, 1997: Lewchuck et al, 2001; Richardson et al, 2010).

A long period (almost a decade) of industrial unrest in the plant under this study confirms the challenges in implementing lean practices in the Indian subsidiary. The challenges of implementing a lean system in India are not much researched, especially from a cultural angle. *Kaizen* is fundamental to a lean system and is claimed to be empowering, and developing employees. The use of action learning in relation to *kaizen*, within an especially sensitive cultural context, has not previously been researched by academics. In such a context, there is value in investigating the cultural challenges in the implementation of *kaizen* and action learning in the second fastest growing economy of the world.

Literature Review

The culture of India is underpinned by its religious values and the societal system as a whole is directly linked to the national culture (Sahay and Walsham, 1997). It is argued that Indian industry has inherited the features of Indian society (Venkata-Ratnam and Chandra, 1996) with strong values attached to traditional beliefs, customs, and practices (Jain, 1991). The traits of religion are reflected in the nature and attitude of the Indian workforce. In spite of a variety of religions, Indian cultural values are deeply rooted in the Hindu belief system. Hence, Hinduism is in some ways synonymous to 'Indian', and the Hindu value system underpins the broader Indian culture (see Sahay and Walsham, 1997; Dhruvarajan, 1993). Ancient values of the 'gurukula' (school) learning system are inseparable from cultural and religious ethics and practices, and the learning premises are imbued with moral and social responsibilities. Moreover, the different cultural dimension factors (Hofstede, 2001) and religious philosophies such as 'karma' ground the HRD processes and techniques.

Power distance as a cultural dimension (Hofstede, 2001) is the acceptance of inequality in terms of power between the powerful and less powerful members in organisations and societies. The high power distance (Hofstede 2008) in India denotes that managers and subordinates are comfortable with their hierarchical position in the organisation (Baruch and

Budhwar, 2006). As a result, subordinates depend on the leaders for instructions, guidance, and advice. Power distance restricts managers from empowering subordinates for fear of losing control; and subordinates from being independent in making decisions and being proactive at workplace as it is against societal norms and values. The broader learning system in India is rooted in the *gurukula* style in which the guru is the unquestionable authority of knowledge, and all who seek knowledge should submit and surrender to the guru with awe. It is a strict hierarchical teaching and learning style, with the learner asking no questions.

Similarly, a masculine (versus feminine) dimension of culture represents the degree of aggressiveness of a society (see Hofstede, 2001). India is not an aggressive nation (Hofstede, 2008), and the religious values oppose a hopeless pursuit for material gratification (Bowen and Reid-Bowen, 1997). Such aggressive pursuit is viewed as opposed to *ananda* (enjoyment) which is vital for physical and psychological well being. Hence, a culture of *aram* (relaxation) is frequent in the Indian workplace (Sinha, 1985).

India ranks low in the uncertainty avoidance dimension of culture (Hofstede, 2008), which represents tolerance to ambiguity, a greater willingness to take risk, and a belief in harmony over strict discipline, structure, rules, and regulations (see Harris, Brewster, and Sparrow, 2003; Budhwar, 2000). This defines a high level of tolerance to uncertainty exhibited by Indian society and the *chalta hai* (it is alright, it goes) attitude cares less for following dotted lines or prescribed structural guidelines.

Action learning is defined by Zuber-Skerritt (2002:1) as "learning about learning, and using this to learn". In turn, Revans (1982:626-7) defined action learning as a "means of development, intellectual, emotional or physical that requires its subjects, through responsible involvement in some real, complex and stressful problem, to achieve intended change to improve their observable behavior henceforth in the problem field". It is a learning process for continuous improvement and can be expressed as an equation where L (learning) = P (programmed knowledge) + Q (questioning insight) (Revans, 1984:16). The process comprises cycles of systematic stages starting from planning followed by action, observation, and reflection (Abraham, 2012). It can be used in both an individual/group and organization context (Rothwell 1999).

Revans (1982:626-7) defined action learning as a "means of development, intellectual, emotional or physical that requires its subjects, through responsible involvement in some real, complex and stressful problem, to achieve intended change to improve their observable behavior henceforth in the problem field". Effective action as opposed to receiving instruction from superiors makes action learning unique.

Kaizen is one of the most important tools in the lean production system, which entices workers to pursue learning to improve business operations by striving for innovation and evolution (The Toyota Way, 2001). Continuous improvement in a lean system relies on eliminating waste, exposing flaws, and aggressively raising the bar of performance.

The cyclic processes of plan, act, observe, and reflect links action learning to *kaizen* in the sense that both intend change. The lean system requires the employees to figure out the problem, eliminate dysfunctions, check the new process and standardize it. This, in line with the premises of *kaizen* is conducted both individually and collectively, the latter through 'Quality Circles'.

Similar to action learning, planning is the primary step for *kaizen*. Alukal and Manos (2006) emphasizes that proper planning and implementation is vital for effective change in an

organization in terms of lean deployment. Kaizen, similar to action learning 'sets', has a team which is formed to address a specific problem (see Abraham, 2012; Alukal and Manos, 2006). Analysis of the problem and decision making follows planning in *kaizen,* and there is a brainstorming session in *kaizen*, to collect inputs from all the team members and to achieve consensus and an effective decision (see Montabon, 2005). In short, similar to the action learning process of plan, act, observe, and reflect, *kaizen* follows a cyclic process of 'plan, do, check, and act' called a PDCA cycle (see Berger, 1997).

As mentioned above, both action learning and *kaizen* implementation may invite conflict (for example, see Jain et al, 2006) as the process involves challenging cultural conventions routed in the dimensions mentioned above. Both action learning and *kaizen* involves compromising high power distance and uncertainty avoidance. For instance, both the processes involve inter disciplinary/inter-departmental cooperation. Secondly, it involves team working together and finding solutions rather than simply accepting a solution to a problem from superiors. Moreover, team work involves closer interaction and open communication. The hierarchical caste system is a hurdle for this as members of the upper caste are often reluctant to freely interact and mix with those of the lower caste. A case study conducted by Ramaswamy and Schiphorst (2000) found that an experimental adaptation to shop floor empowerment by a German multinational corporation subsidiary in India failed due to the negative attitude of managers to the whole concept. The age old hierarchical distance restricts consensus building (for example see Kumar, 2004), vital for planning and action.

The low masculine dimension of Indian culture places it on a less aggressive platform. While action learning and *kaizen* involves rigorous learning exercises Indian workers prefer a much relaxed workplace situation where they are free to mix work with social and familial duties, responsibilities, and other activities (see Sinha, 2004).

Similarly, low uncertainty avoidance prompts Indian workers to take the work process easy; the workplace is placed at the bottom of the hierarchy which has family on top and society second. Therefore, the regimental lean system and structured action learning may be considered too taxing for the Indian workers.

Preece and Jones (2010) argue that a transition to a lean system involves substantial change, which, in a context such as India, is likely to be intensely challenging and time consuming. Therefore, developing Indian employees to adapt to both action learning and *kaizen* requires a deeper understanding of culture and adaptive or hybridised techniques and tools for successful implementation and productive outcomes. Moreover, workplace harmony is vital for emotional and intellectual wellbeing, which is essential to an effective learning process.

Research Methodology and Data Collection

Research for this study is undertaken through a qualitative methodology. The reasons for industrial unrest in the plant were unknown at the commencement of this research. An emergent form of research would help to identify various issues and variables. The interpretation and understanding of the social world is better enabled by qualitative research (Mason, 1996); and is appropriate for a situation like this, where there are social complexities (Miles and Huberman, 1994). This methodology helps to look into the personal meanings and interpretations behind the series of events over the years of the plant's operation. Moreover, since a lot of interpersonal interaction is involved in conflict situations as well as the practices of *kaizen* and action learning, the qualitative research method is suitable as it prefers naturally occurring data (Silverman, 2000). Further, it supports the data collection technique of observation and unstructured interviews so as to gain a longitudinal understanding of the issues involved in social interaction and exchange.

Data collection was achieved by conducting three field trips to India and three field trips to the Asia Pacific Regional headquarters of the company. Altogether 30 interviews were conducted, the respondents varying across the stakeholders. The interviews were all tape recorded and transcribed. The 30 interviews comprised industrial journalists; external and internal trade union officials and members; senior managers; middle and junior managers; learning specialist; team members; and a senior academic. The field trip also involved a tour of the Indian plant as well as several different plants of the company in the Asia Pacific region. Extensive field notes of our observations were also prepared during these field trips. Field notes of informal conversations were also prepared. Besides, a wide range of media reports on the events and developments linked to the unrest were also downloaded from the internet which helped to create a running history of the plant.

The data collection was followed by "conceptual ordering", in order to analyse and organise so as to make sense of the data, and make it into a non-fictional "ethnographic account" and well developed theme (see Strauss and Corbin, 1998). Accordingly, the coding of data and grouping them into different categories led to the emergence of a prevalent theme. Glaser (2001: 177) calls this the "main concern of the informants". This concern relates to the cultural conflict in the implementation of lean system in India. One of the the important tools of lean, *kaizen* was then linked to the features of action learning which were then compared and contrasted with Indian culture to determine the applicability of the western concept (action learning) and the Japanese concept (*kaizen*).

Discussion and Conclusion

The analysis of industrial unrest highlighted the incompatibility of *kaizen* and action learning processes in its original form in the Indian context. The comparatively high power distance, less masculine orientation, and low uncertainty avoidance are identified as hurdle factors for the effective implementation of *kaizen.* Since *kaizen* principles and action learning strike basic similarities it is also hypothesised that the same hurdles would be met with action learning as well. The data analysed figures out serious learning challenges in the Indian cultural context.

For instance, a learning specialist of the company complained that the Indian workers would nod in approval to all the instructions but commit mistakes when left independent to work. Questioning teachers are culturally inappropriate in the Indian context and hence the learners would nod to every instruction and respond in affirmation even if not properly understood. This demonstrates the high-power distance between the superiors and subordinates in the Indian context.

Another power-distance factor, as evident from the data, points out the communal distance among the team members. Effective planning, team work, and decision making processes were reported to be always at risk due to the unwillingness of team members to accept members of another community and/or members belonging to lower caste as team leaders. The pace of activities related to learning and performance was another issue of conflict between the management and employees in the plant. The team members complained of the aggressive pace of work which included denial of social interactions at work. They complained about the encroachment on leisure time by forcing them to use those times for quality circle interactions as part of *kaizen* activities. Such aggressive nature characterises high masculine dimension of culture, which is not the case in India. As mentioned above India ranks low in the masculine versus feminine index of Hofstede's (2008) cultural dimension.

Hofstede and Hofstede, G.J. (2005) points out that while doing menial jobs is acceptable for high uncertainty avoidance cultures it is not the same with low uncertainty avoidance culture.

A lean system expects workers to clean their machines and workstations by themselves. This was another challenge as evident in the data, that the workers found it offensive to do menial jobs. The upper caste members are more offended by this as the menial jobs are reserved for the lower caste members in the caste hierarchy.
The Japanese expectation of high loyalty of employees towards their organisation, demonstrated through strict daily routines and disciplines (Sinha, 2004), could be another characteristic of high uncertainty avoidance (Jain, 1987). However, uncertainty accepting cultures are not keen on such devotion (Jain, 1987). An issue of conflict in the plant was the dismissal of workers on flimsy grounds such as not participating in morning exercises, a session also used for planning (first stage of *kaizen* and action learning) daily work schedules.

Limitations and Further research

A limitation of this paper is that the arguments are drawn from one case study. Therefore, further research is needed to investigate the cultural implications in the implementation of *kaizen* across the foreign subsidiaries operating in the Indian automobile industry. There needs to be a focused investigation of the same in the implementation of action learning process in the culturally sensitive Indian context.

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